

Message Text

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ACTION EB-07

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TAGS: ETRD, UK, US, EEC

SUBJECT: UK CHARGES DUMPING OF SINGLE BEAM ATOMIC
ABSORPTION SPECTROPHOTOMETERS BY US FIRM

1. SUMMARY. FOR THE SECOND TIME IN SIX WEEKS A DUMPING COMPLAINT HAS BEEN BROUGHT AGAINST A US COMPANY. TWO UK FIRMS HAVE REQUESTED ANTI-DUMPING DUTIES BE IMPOSED ON IMPORTS OF SINGLE BEAM ATOMIC ABSORPTION SPECTROPHOTOMETERS (SBAAS) FROM INSTRUMENTATION LABORATORY IRC. IN THE US. DEPARTMENT OF TRADE (DOT) HAS ACCEPTED COMPLAINT ON THE BASIS OF PRIMA FACIE EVIDENCE OF IMPORTS BELOW FAIR MARKET PRICE AND MATERIAL INJURY TO UK INDUSTRY. PRESS ANNOUNCEMENT WILL BE MADE TODAY, MARCH 5. END SUMMARY.

2. EMBASSY OFFICER WAS CALLED TO DOT MARCH 5 TO BE NOTIFIED THAT TWO UK FIRMS. PYE-UNICAM LTD. AND SHANDON SOUTHERN INSTRUMENTS LTD.. HAD APPLIED TO HAVE ANTI-DUMPING DUTIES ASSESSED ON IMPORTS OF SBAAS FROM INSTRUMENTATION LABORATORY INC (JONSPIN ROAD, WILMINGTON, MASS.) COMPLAINT ALLEGES THAT:
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(A) SINGLE BEAM ATOMIC ABSORPTION SPECTROPHOTOMETERS ARE BEING EXPORTED TO THE UK AT PRICES BELOW THE FAIR MARKET PRICE (I.E.. BY REFERENCE TO DOMESTIC PRICES IN THE US);

(B) THIS PRACTICE CONSTITUTES DUMPING AS DEFINED IN SECTION 1 OF THE CUSTOMS DUTIES (DUMPING AND SUBSIDIES) ACT, 1969;

(C) AS A RESULT MATERIAL INJURY HAS BEEN CAUSED AND FURTHER INJURY THREATENED TO THE UK INDUSTRY.

3. DOT HAS ESTABLISHED TO ITS INITIAL SATISFACTION THAT PRIMA FACIE EVIDENCE INDICATES SBAAS ORIGINATING IN US ARE BEING IMPORTED INTO THE UK AT ABOUT 800 POUNDS (APPROX. 1600 DOLLARS) BELOW FAIR MARKET PRICE.

4. UK FIRMS HAVE PROVIDED DOT WITH DATA SHOWING THAT THE INCREASED US SHARE OF THE UK MARKET. ACCOMPLISHED BY ALLEGED DUMPING, HAS CAUSED MATERIAL INJURY TO DOMESTIC INDUSTRY. IT IS CLAIMED THAT MATERIAL INJURY HAS OCCURRED SPECIFICALLY THROUGH "LOSS OF SALES AND CONSEQUENT LOSS OF PROFITS AND BY FURTHER LOSS OF PROFITABILITY DUE TO AN INABILITY TO MAKE TO THEIR FULL EXTENT JUSTIFIED PRICE RISES." ADDITIONALLY, IT IS CLAIMED THAT "A CONTINUATION OF THE ALLEGEDLY DUMPED IMPORTS WILL RESULT IN FURTHER MATERIAL LOSSES IN THE FUTURE." THE DETAILS SHOWING MATERIAL INJURY ARE CONFIDENTIAL BETWEEN UK FIRMS AND DOT. BUT DOT IS SATISFIED THAT A PRIMA FACIE CASE HAS BEEN MADE.

5 UK FIRMS CLAIM DUMPING BEGAN IN 1974 WHEN INSTRUMENTATION LABORATORY FIRST ENTERED UK MARKET FOR SINGLE BEAM MODELS OF THIS TYPE INSTRUMENT. ONE-THIRD OF SINGLE BEAM MARKET WAS TAKEN BY US COMPANY IN 1975 AND UK INDUSTRY SOURCES CLAIM OVER HALF WILL GO TO US FIRM IN 1976 AS A RESULT OF CONTINUED SALES AT DUMPED PRICES. INSTRUMENTATION LABORATORY SELLS A DOUBLE BEAM MODEL AND OTHER TESTING EQUIPMENT IN UK, BUT IT IS THOUGHT TO BE ONLY US FIRM SELLING SINGLE BEAM MODEL HERE.

6 THE BASIC UKG PROCEDURE FOR HANDLING DUMPING LIMITED OFFICIAL USE

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COMPLAINTS ADHERES VERY CLOSELY TO THE GATT ANTI-DUMPING CODE THERE ARE NO TIME LIMITS ON THE VARIOUS STEPS FOLLOWED BY THE UK, AS THERE ARE WITH THE USG UNDER THE TRADE ACT OF 1974.

7. (FYI. SINGLE BEAM ATOMIC ABSORPTION SPECTROPHOTOMETERS ARE INSTRUMENTS USED FOR MAKING QUALITA-

TIVE AND QUALTITATIVE CHEMICAL ANALYSES. PARTICULARLY
IN THE BIOCHEMICAL AND CLINICAL FIELDS. END FYI)

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*** Current Classification *** LIMITED OFFICIAL USE

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